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INFO RUCNCOM/EC CARICOM COLLECTIVE PRIORITY

UNCLAS SECTION 01 OF 02 KINGSTON 000640

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COMMERCE FOR A/S HERNANDEZ FROM CHARGE D'AFFAIRES WEHRLI
STATE FOR WHA/CAR, WHA/EEB
SANTO DOMINGO FOR SCO MCGEE

E.O. 12958: N/A

TAGS: [AMGT](#) [APER](#) [ECON](#) [EINT](#) [EINV](#) [ETRD](#) [JM](#) [XL](#)

SUBJECT: JAMAICA: REQUEST TO RECONSIDER COMMERCIAL SERVICE
CLOSURE IN KINGSTON

REF: A. PORT OF SPAIN 435

[1](#)B. BRIDGETOWN 499

[1](#)1. Summary: (SBU) Post would like to add its voice to the chorus from the English-speaking Caribbean (refs. A,B) respectfully requesting that the Commercial Service reconsider its proposal to close its office in Kingston, Jamaica. Our concerns mirror those from our regional counterparts:

-- That there are indications that the economy of Jamaica is poised for improved growth over the near and medium term;

-- That the Prime Minister has commented to the Ambassador that there is a "growing perception of neglect" of the Caribbean from the USG; and,

-- That such neglect plays to the recent efforts of Venezuela and China as they seek to expand their influence in the Caribbean.

End summary.

Turning a Corner?

[1](#)2. (U) Notwithstanding a long period of economic atrophy, there are signs that the Jamaican economy may be ready to turn a corner. Some analysts project that GDP growth could reach six percent this year. They also argue that the anemic figures registered in recent years reflect the inability of current statistical models to fully capture the strong tourism sector. These economists suggest that Jamaica has, in fact, been growing at a level more likely between three and four percent.

[1](#)3. (U) Bilateral trade between Jamaica and the United States is worth approximately USD 2.1 billion per year. The U.S. is, by far, the largest export market for Jamaican products, and likewise, the U.S. is the source of approximately 44 percent of Jamaican imports.

"Continued Neglect"

[1](#)4. (SBU) In a meeting with the Ambassador, Prime Minister Portia Simpson Miller noted that she, along with other regional leaders, had sensed a growing "perception of neglect" by the United States towards the region as a whole. The Director of the Caribbean Regional Negotiating Machinery, Ambassador Richard Bernal, recognized that shifts of policy and influence are normal, and that the region needs to better adapt to a global economy. Nevertheless, he opined that as

part of the "third border" with the United States, it was "disappointing" to see how the region had "dropped off of (our) radar." While the upcoming Caribbean 20/20 Conference in June may allay some of those feelings, the closure of the Commercial Service office in Kingston will only give ammunition to those who see the USG as abandoning the region.

While Chavez and China Grow in Stature

¶5. (SBU) Since 2005, Venezuelan President Hugo Chavez has aggressively courted the GoJ, through PetroCaribe and through financial assistance for development projects. At the same time, the Chinese have increased their visibility on the island, recently completing a new, USD 30 million Embassy, a USD 12 million "Friendship Center," and through the provision of a USD 30 million soft loan to build a Greenfield stadium in Trelawny that was used for the Opening Ceremony of the Cricket World Cup. Removing the on-the-ground commercial expertise will only give these countries) and the Europeans, who are beginning a strong foray into the tourism sector) a further advantage over U.S. companies in terms of competitiveness and effectiveness.

Comment

¶6. (SBU) The Foreign Commercial Service Specialist in Kingston has developed an extensive network of contacts in the 13 years that he has been employed. Embassy's single officer solely dedicated to economic affairs would be hard-pressed to fulfill even a fraction of the services and value that the Commercial Specialist provides. We respectfully request that the Foreign Commercial Service

KINGSTON 00000640 002 OF 002

reconsider its proposal to close the Kingston office. End
comment.
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